

## New Start 0% Mortgages Available

THDA is proud to announce a new program, "New Start 0% Mortgage Loan Program for New Construction."

"We are always searching for new and innovative ways to reach out to the very low income citizens of Tennessee," said Janice Myrick Executive Director of THDA. "The Board has approved a one-year funding source of \$5 million to be made available to eligible borrowers working with non-profits for a newly constructed home."

Since the program began on July 16 of this year, there has been significant interest with a total of six Habitat affiliates completing applications; Nashville, Memphis, Knoxville, Chattanooga, Williamson County and Cumberland County and five funding applications completed with a commitment to three.

In order for a not-for-profit organization to be eligible for this program, it must meet the following requirements:

### 1. **Eligible Program Partner**

To be accepted as an eligible Program Partner, the non-profit must have adopted the organizations bylaws and articles, been approved by the organization's Board of Directors, and be functioning as an active non-profit provider of safe, decent and affordable housing to low-income Tennesseans. The proceeds may not be used for any purpose other than housing. The proceeds from the sale of all mortgage loans to THDA must be used to provide owner financing of residences and not acquire or replace existing permanent mortgages. Without exception, proceeds from the sales of loans to THDA may not exceed fifty percent (50%) of the non-profits funding source(s) for affordable housing.



Donald L. Harris, Jr.

## THDA Selects New Deputy Director

THDA finds replacement for the retiring Deputy Executive Director Ralph Massey in its own house.

Don Harris, who has been Director of the Section 8 Rental Assistance Program since 1999, has been with THDA for the past seven years. While serving as Director, his division has provided rental assistance services to 78 counties across the state and is currently serving over 5,600 families.

Harris has an extensive background in administering government programs. Prior to joining THDA, he was employed with the Tennessee Department of Corrections as the State Director of Adult Probation. During his seven-year appointment, he was directly responsible for the supervision of over 900 staff and the probation and criminal court coverage for 27,000 adult felons. While holding this position, Harris was recognized as "Professional of the Year," by the Tennessee Correctional

*continued on page 6*

# The Grants Forum at THDA

## HOME Grant Aids in Affordable Housing and Historic Preservation

The Tennessee Housing Development Agency (THDA) awarded the Housing Development Corporation of Clinch Valley \$325,000 to aid in the renovation of apartments in the Riggs Drug Store building.

The former two-story drug store on a downtown LaFollette corner has a new purpose; 11 newly renovated apartments for the low to very-low income and a group of offices for Ridgeview Psychiatric Hospital and Center.

The apartments offer attractive and affordable housing for low to very-low income persons, many of which are also Ridgeview clients. The apartments will provide the first quality independent living in the LaFollette area for Ridgeview clients.

The Ridgeview's Outpatient services and Psychological Rehabilitation offices were at two different locations, but now they are both located on the first floor of the newly renovated building.

Ridgeview provides mental health and substance abuse services for the region. Among the

services offered are for children and youth, outpatient, adult inpatient and community support.

"With Ridgeview providing the services and HDC of Clinch Valley developing affordable housing, the special needs of the mentally ill will be met with this project," said Jane Boles, Director of Community Programs with THDA.

The \$1.9 million renovation is the result of several partnerships. The Housing Development Corporation of Clinch Valley paved the way by purchasing the building and by joining with two Oak Ridge Banks, AmSouth and SunTrust, in obtaining \$110,000 grant from the Federal Home Loan Bank Affordable Housing Program coupled with the funds from the U. S.

Department of Urban Development (HUD) HOME grant from THDA and a Neighborhood Reinvestment Corporation grant which paid for construction and helped lower the mortgage.

The Riggs Drug Store building is the last historical structure from the period 1910 to 1920 left in downtown LaFollette.

*"Preservation plus  
renovation equal  
independence  
for persons  
with mental illness."*



*Pictured on the left are Board members, Local officials and staff members from Ridgeview and HDC of Clinch Valley*

Photograph taken by Joel Taylor, Housing Program Specialist in the Division of Community Programs.

## IN THE SPOTLIGHT...

*Inside THDA's*



*Pictured above left to right: Ralph Massey, Deputy Executive Director and H. David Hayes, THDA's Board Chairman.*

## THDA's Deputy Director Retires

The jovial smile of Ralph Massey, Deputy Director of the Tennessee Housing Development Agency, will soon be missed. On July 30, 2001 Ralph will say farewell to his THDA family.

Ralph joined THDA in November of 1985 as the Computer Systems Supervisor after owning his own consulting business. He had spent many years working with computers, which gave Tom Lawrence, Executive Director in 1985, the confidence that Ralph was the right man for the job.

In 1989, Ralph became Director of Administrative Operations, where he dealt with the day-to-day administrative

needs of the Agency. Through past experience with the various management positions, he was able to make a contribution and share his talents with yet another division of THDA.

Finally in 1991, Lawrence appointed Ralph Deputy Executive Director. As Deputy Director, Ralph has worked closely with all of the divisions within THDA, sharing his expertise and insights about planning, project management and

research. Whether it is working with Fair Housing or writing policy, Ralph is always focused on the goal of helping others.

"Ralph is our Ambassador of Goodwill, always looking out for the best interest of the Agency," said Janice Myrick, Executive Director of THDA. Since he has been Deputy Director, he has had three opportunities to serve the Agency in an interim Executive Director capacity. "The first time was in 1991 when Tom Lawrence left," said Massey. "It was a learning experience because I hadn't been Deputy very long."

"The second opportunity as acting Executive Director was in 1992 when Alton Brown left and then again in 2000 when Jeff Reynolds resigned," he said. "It just got easier each time because each time the staff was better!"

"This job has given me the opportunity to fulfill a dream of helping people in need across the state," said Massey. "I will miss my THDA family, but now I am going to spend my time traveling with Nancy, visiting my four grandchildren and taking computer courses."



*Pictured above left to right: Janice Myrick, Executive Director and Ralph Massey, Deputy Executive Director*



# 0% Mortgage

*continued from page 1*

## 2. **Eligible Borrowers**

Eligible borrowers may not have more than \$24,950 in total household income at the time of loan purchase. There are no income restrictions specific to family size or county in which property is located. Each mortgage loan eligible for purchase must be made to a THDA eligible first time homebuyer.

## 3. **Eligible Properties**

All eligible properties must be new and located within the State of Tennessee. All properties must meet the property standards for the city and/or county having jurisdiction over properties located in their areas. All properties must be single-family houses.

## 4. **Loan Terms and Types**

The maximum loan term will be 30 years. Each principal payment must be substantially equal over the life of the loan. Each loan must be a first mortgage lien secured by the property. The mortgage Note and Deed of Trust must reflect an interest rate of 0%. The maximum loan amount available will be \$60,000 or 75% of the value of the property, the lesser of the two. Secondary financing will be acceptable for the purposes of securing equity to the participating organization. All mortgage loans eligible for purchase must be at 0% interest rate. Terms of additional, secondary financing must be within reasonable expectations and affordability currently being offered on the 2<sup>nd</sup> mortgage market.

# THDA participates in Appalachian Housing Summit

*written by Lorrie Shearon*

On June 27<sup>th</sup> and 28<sup>th</sup>, four THDA staff members participated in what is hoped will be the first annual Appalachian Housing Summit in Prestonsburg, Kentucky. Along with housing finance agencies from the states of Kentucky, Virginia, and West Virginia; the Federation of Appalachian Housing Enterprises (FAHE); and various non-profit groups, THDA staff spent the time developing a better understanding of the current Appalachian situation and sharing information on programs that have been particularly successful in this region.

The federal Appalachian Regional Commission designates most counties in East Tennessee as an Appalachian county. Nine of these counties are also designated as “dis-

**Distressed Counties within Appalachia**



ressed” counties. The focus of the conference was on how to improve program delivery in these more remote rural counties.

Several presenters opened the summit with information about “The Appalachian Situation”. According to their remarks, the Appalachian region is beginning to look more like the rest of the country. Ted Koebel, Director of the Housing Research Center at Virginia Tech University, said Appalachia is an extremely diverse area, which includes regional growth centers and retirement vacation centers, as

well as “Lost Places”. We can’t use a “one size fits all” policy.

The rest of the conference was spent in information-sharing sessions about what is being done in the four states. Innovative ideas for reaching more remote areas were shared, like Virginia’s “Mobile Mortgage Unit”, housed in a motor home; some very-low-income loan programs offered by the states and how they compare; and, providing housing for special needs populations (e.g., the growing immigrant populations in these rural areas).

The conference was judged successful and work is beginning for the next summit, to be held in Southwest Virginia in the spring of 2002, at which the participants hope to begin working toward planning for some cooperative programs for contiguous areas.

# The Grants Forum at THDA

## 2001 HOME Grants Awarded

The Tennessee Housing Development Agency (THDA) awarded over \$15 million in HOME Grants for the 2001 grant cycle. The total available for funding in each rounds \$2,895,663 for CHDOs; \$3,783,016 for urban projects; and \$8,899,642 for rural projects.

The 2001 HOME program had 123 applicants this year requesting a total of \$58,517,042. There was an increase in the number of CHDO applications by nearly 50%. There were 7 CHDO applicants in 2000 requesting a total of \$2,946,334 and this year there were 13 requesting a total of \$5,116,192; eight of the applicants being new to THDA.

### 2001 HOME Rural Awards

Town of Adamsville	\$186,892
Town of Altamont	\$116,807
Town of Baileytown	\$300,000
Town of Beersheba Springs	\$116,808
Town of Bethel Springs	\$186,893
City of Brownsville	\$500,000
City of Centerville	\$461,231
City of Cleveland	\$100,000
City of Clifton	\$461,231
City of Coalmont	\$116,808
Crossville Housing	\$317,100
Town of Doweltown	\$500,000
Fentress County	\$500,000
Town of Greenville	\$500,000
Town of Gruetli-Laager	\$116,807
Grundy County	\$116,807
Hickman County	\$467,231
City of Humboldt	\$472,500
Town of Lynnville	\$500,000
City of Martin	\$500,000
McNairy County	\$186,893
Town of Monteagle	\$116,808
Ton of Normandy	\$350,000
City of Palmer	\$116,808
Town of Ramer	\$186,893
Town of Selmer	\$186,893
Town of Tracy City	\$116,807
Town of Wartrace	\$500,000
City of Waynsboro	\$467,231
Wesley Senior Ministries	\$500,000
Foundation of Memphis, Inc.	

### 2001 HOME CHDO Awards

Aid to Distressed Families	\$252,000
Appalachian Counties	
Affordable Housing Community	\$258,796
Development Corporation	
Affordable Housing Resources, Inc.	\$500,000
Buffalo Valley Inc.	\$500,000
28 <sup>th</sup> Legislative District CDC	\$157,500
Chattanooga Community	\$400,000
Housing Development Org.	
The Rochelle Center	\$383,000
United Housing Inc.	\$500,000

### 2001 HOME Urban Awards

City of Bristol	\$500,000
Town of Erwin	\$500,000
City of Gallaway	\$105,000
City of Lake City	\$262,500
City of Lenoir City	\$500,000
City of Luttrell	\$173,250
City of Maynardville	\$173,250
City of Moscow	\$105,000
Town of Oakland	\$105,000
Town of Rossville	\$105,000
Town of Somerville	\$105,000
Union County	\$178,500
Washington County	\$500,000

**If you were robbed,  
you'd report it...**

**But most victims of housing  
discrimination don't.**

Why? Because today housing discrimination is subtle and sophisticated, which makes it hard to detect. Know your housing rights. According to the federal Fair Housing Act, it is illegal to consider race, color, religion, national origin, sex, disability or family status rental, sales, lending or homeowner's insurance decisions.

**Don't let them rob you of your civil  
rights.**

**FAIR HOUSING IS THE LAW!**



**EQUAL HOUSING  
OPPORTUNITY**

The only way to stop discrimination is to fight it. If you suspect unfair housing practices, contact HUD or your local Fair Housing Center.

U. S. Department of Housing and Urban Development – 1-800-669-9777 – TDD 1-800-927-9275

## New Deputy

*continued from page 1*

Association in 1990.

“Deputy Director is a key position for building a strong organization and strengthening partnerships with other housing groups,” said Janice Myrick, Executive Director of THDA. “Don is full of energy, new ideas and is a strong communicator, he will no doubt be an asset in his new position.”

“I am excited about the challenge that this new position offers and I am committed to carrying out THDA's mission across the state,” said Harris. “It will be as a team that we will be able to successfully meet the

challenges that lie ahead.”

Harris has been with the state for the past 16 years and he holds a M. Ed. in counseling from East Tennessee State University.

## NOTICE

**Would you be willing  
to look on the internet  
for your copy of the  
Journal?**

**Log onto our web  
page:**

**[www.state.tn.us/thda](http://www.state.tn.us/thda)  
under publications to  
answer this question.**



Tennessee Housing Development Agency. Authorization No. 316420, 30,000 copies. This public document was promulgated at a cost of \$.093 per copy. No tax dollars are used for its printing. 8/01.

The Tennessee Housing Development Agency is committed to principles of equal opportunity, equal access, and affirmative action. Contact the THDA EEO/AA, ADA Coordinator (615/741-1106; 615/532-2894, TDD; 1-800-228-THDA,) for further information.



**H. David Hayes, Chairman  
Janice L. Myrick, Executive Director  
Toni S. Harris, Editor**

**Tennessee Housing Journal**  
Tennessee Housing Development Agency  
404 James Robertson Parkway, Suite 1114  
Nashville, Tennessee 37243-0900  
[www.state.tn.us/thda](http://www.state.tn.us/thda)

**PERMITTED NO. 1446  
NASHVILLE, TN  
U.S. POSTAGE PAID  
PRESORTED STANDARD**